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THE UNEMPLOYMENT EMERGENCY

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WHAT was the unemployment problem which the country had to face last fall?

The first thing one strikes in trying to answer this question is the impossibility of getting accurate figures to measure the amount of unemployment in the country, its extent, and the severity of the distress caused by it. This difficulty will be illustrated by the variance in the estimates of the Department of Labor experts in September and of the experts who formed the Advisory Committee of the President's Conference on Unemployment. The latter estimated that the number of people unemployed at the time were three and one-half million, while the Department of Labor experts set the figure at a little more than five and one-half million.

There was, however, no doubt as to the seriousness of the situation. In 173 cities covered by the reports of the United States Employment Service for January and September, 1921, the number of unemployed increased 19 per cent between those two dates. Other indications were that in the mining industry from 1920 to August, 1921, the decrease in employment was 23 per cent, representing a total of 863,000 men; and on the steam railroads of the country the decrease had been 21.2 per cent, amounting to 445,000 men thrown out of work. The Economic Advisory Committee of the President's Conference stated that "the figures indicate a more serious situation for the coming winter than existed in 1907-08 or in 1914-15".

The state of unemployment existed generally all over the United States, though it was worse in some places than in others. The part of the country most heavily affected was east of the Mississippi, and north of Mason and Dixon's line, and the

conditions seemed to be more severe according to the size of the city, the larger cities suffering worst. As was to be expected, conditions were better in centres where there was diversified occupation. In cities of one industry everything was dependent upon the condition of that particular occupation, and if a large number of men engaged in it were thrown out of employment, there were no other businesses to which they could turn.

Besides being country-wide, the depression was world-wide. In European countries the suffering from unemployment seems to have been more severe than here. In Great Britain, in spite of the preparation that had been made to alleviate the distress of a prolonged period of unemployment through the operation of unemployment insurance, distress has been sharp. Dislocation of industry caused by the war, and the stoppage of the foreign trade upon which Great Britain is so dependent for her industrial life, produced an emergency too great for the system of unemployment insurance to meet. It was to be expected that industry would suffer more in a country like England, which is so much more dependent upon foreign trade than is the United States. Before the war, England exported over 30 per cent of her production, whereas the exports of the United States were less than ten per cent, and so large a proportion of this was raw products that if these are excluded the exports from the United States of manufactured articles were probably not more than three or four per cent of the total production.

There were two aspects of the situation. First, the emergency must be met. Work must be provided, so far as it was economically sound to do so. Distress must be helped, human suffering must be lightened. The other aspect had little reference to the immediate situation. This want, this suffering, was caused by one of the recurring sweeps of industrial depression: why did the world have to be afflicted with such plagues? Was there no way in which they could be avoided, or their severity lessened? To devise means of prevention was the second phase.

Let us consider first the immediate emergency. It was pressing. Many of our fellow citizens were facing their second winter without work. There were undoubtedly more savings in the country than people had in 1914-15, but they had been pretty

well drained by last fall, and the prospect of long winter months, when it was all outgo and no income, was appalling.

In this country we do not quickly notice the hardship caused to individuals by times of business depression, for the American way is for people in trouble not to talk much about it, and to look after themselves just as thoroughly and just as long as they can possibly manage. When a man loses his job he tries to get another one. If he is not successful, then he looks for temporary odd jobs at anything that will turn in a little income. In the meantime he lives on his savings, he and the family economize, and the wife, and the children if they are old enough, try to eke out the family income by earning a little themselves. Then comes the stage when he has to be helped by relatives, by friends, by his church, his lodge—in short by people and organizations whose help he has a right to expect, whom he has helped in the past, who know that he would be ready to help them in the future if the tables were turned. He exhausts his credit at the local stores. It is only when he comes to the end of his personal resources and of what can be given him by the help of friends, to the end of his credit—it is only then that we hear about it. One of the finest things in American life is this stubborn habit of self-dependence, and anything that weakens it weakens our country.

A good many people, who probably believe they are fair-minded, and probably are well-intentioned, allow their judgment in these matters to be blurred and poisoned by attributing to everyone who is out of a job the characteristics they have found to be true in a few. They have seen loafers on street corners, tramps, people who never work, people who belong to the “unemployable” class; they have also heard of workmen out of a job who were, as it seemed to them, too finicky as to what they would be willing to do. The conclusion is therefore arrived at, that all unemployed are responsible for the condition in which they find themselves, because they either do not want to work at anything, or else are so inexcusably particular as to what they are willing to work at that one cannot take the time to bother with them.

This conclusion is false, like so many other jumped-at conclusions. It daubs a whole class with the hue which colors only a very small part of it. The fact has been this winter that

hundreds of thousands of American working men, in spite of every effort, have been unable to find work.

Another element in the situation which must not be lost sight of is the way in which the distress of people who have been a long time out of work is capitalized by the preachers of false doctrines. It is no wonder that a man who needs work to feed and clothe his family and cannot get it in spite of everything he does, should think that there is something wrong with the world. The wonder is that more are not carried off their feet by the plausible, specious arguments of the agitator of evil.

"All you men are out of a job," begins the orator to a crowd of idle, discouraged men. "Is it your fault? No. You're all crazy to get jobs, you don't care what it is, you will take anything that you can keep yourself and your babies alive on. You're good workmen, too. You don't need to prove that because you have all held down high-class jobs and earned big money. If you're crazy to work and are good workers, with nothing against you, is it your fault that you are not working now? It's not!

"Well, then, if it's not your fault, is it your boss's fault? Some of you think so, but let's think about it. Is your boss making any money with his factory idle? Is that the way he piles up the money that he buys his yachts and limousines with? No. He would like to start up his factory just as much as you would like to have him. He would like to give you work just as much as you would like to get it. He isn't making any more money when his machines are idle than you are. The big difference between you and him is that he has got more saved up. No, my friends, the reason the wheels in that factory don't buzz is not because the boss doesn't want them to; it is because he knows that if he makes anything in the factory now he can't sell it, and he can't afford to do that. He would like nothing better than to start everything going full time, full speed, give everyone of you a job and make lots more money for himself. Then you can't say that it is the boss's fault that you are out of work.

"Well, then, whose fault is it? If it is not the fault of the working men, if it's not the fault of the bosses, the employers, that you are out of a job and out of luck, whose fault is it? There's nothing to it, boys, there's nothing left except it is the fault of this

whole industrial system that we live under, this whole business of capitalism—that's the trouble, that's where the fault is, that's what makes these times keep coming around every few years, and you have to starve and go cold and perhaps lose your babies because you can't give 'em the proper care. And then if you weather it, you get a job again, work for a while and think that everything is going fine, and then, after a few years, biff, what they call industrial depression comes on, hard times, and you are all out of luck again. It is the industrial system that's wrong, and nothing will ever help it until we change that system, until we smash it, until we put an end to these times of capitalists, and the workers take charge of the country. Get ready for that time."

False, but plausible. Can we wonder that even educated Americans who have lived years under our free institutions are puzzled at this kind of theory? They do not know that this sort of thing has been preached for centuries, that this sort of doctrine has been put into action, that countries have been ruled by men who talked and taught just as this orator did, and that utter distress and desolation and ruin have always been the result. They wish so much that there were some complete and rapid remedy for the agony of the situation in which they find themselves, that it is hard for them to hold fast to the truth that in this world, with men and women as they are, improvement comes slowly, abuses linger, progress has to be fought for. They are apt to forget that the way to better things is through the practice of the old-fashioned virtues of honesty, industry, thrift, unselfishness, intelligence, and that when we set about it to do away with things that are bad, we must go at it in such a way as not to lose the good with the bad. Perhaps the most striking fact in connection with the plight in which American working people have found themselves this winter has been the way in which they have been unaffected by fallacious economics.

The country was faced, therefore, last fall, with a widespread condition of unemployment which, in the case of many, had lasted many months and which was sure to cause profound distress unless strong measures were taken to relieve it.

The outstanding feature in the handling of this question has

been the way in which each locality has accepted the responsibility for its own situation. There was no other way in which it could be met. It was too far spread, it was too intense; conditions varied so in different cities that measures that would have been effective in some would have availed nothing in others. It was a local question, manageable only when handled locally and by those who had knowledge of the local situation.

Practically every city in which there was distress from unemployment formed, under the leadership of the mayor, a strong and representative emergency committee on unemployment. These committees have worked in different ways.

Many and novel are the means they have adopted to provide at least temporary employment or to relieve acute distress. For example, Chicago has made a house-to-house canvass under the direction of the 23 battalion fire chiefs, to compel householders to remove from their premises all combustible material and refuse, as a fire prevention measure. This campaign has created many short time jobs. The Women's City Club has divided the city into thirty-five districts, each in charge of a woman chairman, who devotes specified hours each day to getting jobs.

Dallas, Texas, has taken a church census of its 190,000 population and each householder is asked if some special odd job, painting, carpentry, gardening, or cleaning, could be furnished the unemployed, and a record is kept of the replies and addresses, with the result that a large number of days of work have been secured for those who most needed it.

Schenectady, New York, has taken care of its own problem by bond issues for public improvements, and the city officials are enforcing rigidly the local ordinances concerning snow removal and the like. This is done under city supervision and charged on the tax bills of all derelict property owners.

Atlanta has formed a club of 500 citizens, each of whom has pledged the building of a dwelling to be rented at a reasonable figure, thus giving employment to many, and also helping the housing situation.

Gloucester, Massachusetts, and Evanston, Illinois, pay the jobless to chop down condemned city timber, which is sold for fuel. Public-spirited citizens in Rock Island, Illinois, have

banded together to hire one man one day a week to keep him from becoming an object of charity.

In Erie, Pennsylvania, a drive has been made to push the sale of "Erie-made" products, in order to provide local employment. Lima, Ohio, has put one hundred men to work two or three days a week, paying them in orders on grocery stores for food. Butte, Montana, raises \$60,000 each month, and extends some sort of aid to 2,500 families. Unemployed single men can get two meals a day of beef stew, vegetables, bread and butter, and coffee, out of this fund. Galesburg, Illinois, has put \$100,000 into water mains and work has gone on right through the winter, while the town provides lodging and food for the destitute.

The Finance Committee of the Chamber of Commerce, of Poughkeepsie, New York, will lend up to \$100 to any unemployed man of reputable character, and accept his note for ninety days at reasonable interest, charged to make up for any loss which may occur through failure to pay.

Buffalo has set aside \$70,000 for groceries and other necessities for the relief of 1,113 families. Detroit is lending out of emergency funds \$1,750,000 as necessity arises, to applicants for relief, some of whom return it in work performed for the city. Kansas City has raised \$290,000 in a charity drive. Boise, Idaho, has opened a municipal woodyard where wages are not as high as the scale, but grocers have pledged themselves to supply food at cost to men who take this work; thereby making the money earned approximate the regular wage.

St. Paul, under an emergency clause in its charter, is authorized to borrow \$100,000 to give employment to men with families, for sewer building, bridge repair, and snow removal. A few cities which have made appropriations for public works, because of the emergency, are: Los Angeles, \$2,000,000; Savannah, \$300,000; Baltimore, \$250,000; Dayton, Ohio, \$500,000; Hazleton, Pennsylvania, \$250,000.

Manufacturers also have generally taken action to try to help the situation by manufacturing for stock, by part time work, and by doing an unusual amount of construction, cleaning up and repair work, giving regular employees the chance for occupation at this as long as possible. One Company reports:

We have taken the position in our own business that unemployment is the first lien on our business, and, beginning late last fall and continuing up to the present time, we have carried our regular force through the entire period. During that time we found a good deal of work for the men on our farm, which is situated about eight miles from the factory. We also reduced the number of hours worked per week but did not reduce the weekly income. We also gave the entire force three weeks' vacation with full pay. In addition we found a great many odd jobs about the plant and altogether we were enabled to keep our small force employed during the hours they worked.

As a means of distributing the burden of unemployment part time work and rotation of jobs has been a common expedient. One firm added two hundred and fifty or three hundred men to its payroll by reducing shifts from eight to six hours, and adding another shift. Another plant worked three days a week twenty-five per cent of their force, rather than one full week with twelve and one-half per cent of their force. In some industries and in some departments of industries it has been found impracticable to rotate jobs, but the surprising thing is rather that so much part time work and job rotation has been found practicable.

The building of public works in times of industrial depression has long been an expedient to relieve the hardships of such periods. There is, of course, no cure for unemployment except employment; everything else is a makeshift, a palliative. If, therefore, public works can be increased as private industry decreases, part of the trough of depression can perhaps be filled up.

It would clearly bring about no real improvement in the situation if public work were started simply for the sake of providing jobs, and if the work accomplished were not of service and value to the community. Non-productive work, which does not result in an increase of things people need, would prove simply a boomerang as a means of relieving unemployment.

The movement during the winter toward the erection of public works has been not only unprecedented in volume but, according to all indications, has been guided by the sound principles that it was well to do now, in times when ordinary business had slowed up, public works which are necessary, which must be done anyway within a few months or a year, and which if done now, rather than a little later, will not merely give to the community the use of a needed bridge, or building, or sewerage system a little

sooner than otherwise would have happened, but will also afford work just at a time when people are sorely in need of it.

The sales of municipal bonds for public works in 1921 were about double those of any previous year, and nearly three times the amount of those for any year before the war. In September the total sales of municipal bonds throughout the country amounted to \$86,477,162. In October the figure rose to \$113,787,-230; and in November it was \$117,950,261; while in December it reached the unprecedented amount of \$210,819,584.

There has been a general impulse also toward the doing of work on public utilities and in private companies, on the same theory as that which has governed in the case of public works, although to nothing like the extent, since the possibility of raising money by the attraction of the sale of tax-free securities has not, of course, been available to public utilities and private companies. Much construction and repair work has, however, been done.

In many instances much more work of this character, with consequent beneficial effect upon unemployment, would have been undertaken if construction costs had not been deemed too high. Transportation rates, prices for material, the cost of labor—in some localities all of these have seemed too high, in others some of them have seemed so high as to prohibit new undertakings. The President's Conference last fall recognized this fact. Its report of September 29 stated:

We are short more than a million homes; all kinds of building and construction are far behind national necessity. Considering all branches of the construction industries more than two million people could be employed if construction were resumed. Undue cost and malignant combinations have made proper expansion impossible and contribute largely to this unemployment situation. In some places these matters have been cleaned up. In other places they have not, and are an affront to public decency. Where conditions have been righted, construction should proceed. Where the costs are still above the other economic levels of the community there should be searching inquiry and action in the situation. We recommend that the Governors summon representative committees—(a) to determine facts; and (b) to organize community action in securing adjustments in cost, including removal of freight discriminations, and clean-out campaigns against combinations, restrictions of effort, and unsound practices where they exist, to the end that building may be fully resumed.

Another outstanding fact in the way the unemployment difficulty has been met throughout the country has been the prevalence of "odd job", "spruce-up" campaigns. The feeling seems to have generally existed that it was the duty of everyone receiving an income to do something to help someone who was out of work. Work has been provided all over the country in ways which must have seemed insignificant to those affected, but in the aggregate it has mounted very high and has had a powerful effect in taking the edge off the prevalent distress. The way the people of the country have acted could not but remind one of the way in which they responded generally to Mr. Hoover's wartime appeal to eat meat only once a day and not to use white bread. That was at a time when there seemed to be no substantial extra stores of food in this country, at any rate not enough to meet the bare necessities of our Allies. Yet, without the passage of any law, without any restriction being imposed, at the mere request of a Food Controller in whom the people had complete confidence, consumption of food in this country was shrunk to such an extent that the supplies needed for export were at once available, and continued available.

In the same way during this period of unemployment the American people caught the idea that this was not a matter for legislation, that no magical cure could be looked for, that the emergency had to be met by the neighborly, helpful dealing of one with another, by everyone's making an effort to provide, as soon as possible, all the necessary work that he could, by everyone's holding out a helping hand.

But no matter how successful the efforts are to alleviate them, these recurring depressions are intolerable. They must be prevented, if there is any way to do it, for the heavy price is paid in the suffering and anguish of our fellow citizens; the strain comes upon those least able to bear it. It was for this reason that the Conference called by President Harding determined that, besides trying to help meet the emergency, it would make a vigorous and sustained effort to find out the causes of industrial depressions and to devise ways and means to prevent or mitigate them.

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